## **Electronically Recorded**

Augenne Hinlessed

Official Public Records

Tarrant County Texas 2009 Mar 12 07:45 AM

Fee: \$ 32.00 Submitter: SIMPLIFILE D209066862

5 Pages

Suzanne Henderson



HARDING COMPANY 13465 Midway Road, Suite 400 Dallas, Texas 75244

Submitter: HARDING COMPANY

SUZANNE HENDERSON TARRANT COUNTY CLERK TARRANT COUNTY COURTHOUSE 100 WEST WEATHERFORD FORT WORTH, TX 76196-0401

<u>DO NOT DESTROY</u> <u>WARNING - THIS IS PART OF THE OFFICIAL RECORD.</u>

ELECTRONICALLY RECORDED BY SIMPLIFILE Karl, Cecilia

Ву:\_\_\_\_\_

CHK00525

ANY PROVISION WHICH RESTRICTS THE SALE, RENTAL OR USE OF THE DESCRIBED REAL PROPERTY BEGAUSE OF COLOR OR RACE IS INVALID AND UNENFORCEABLE UNDER FEDERAL LAW. NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OR ALL OF THE FOLLOWING INFORMATION FROM ANY INSTRUMENT THAT TRANSFERS AN INTEREST IN REAL PROPERTY BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER.

Producers 88 (4-69) — Paid-Up With 640 Acres Pooling Provision

ICode:12434

### PAID-UP OIL AND GAS LEASE

(No Surface Use)

THIS LEASE AGREEMENT is made this 22 day of Aniuacy, 2007 by and between Cocilia Karl, a single person whose address is 805 Sequola Lang Keller, Texas 76248, as Lessor, and HARDING ENERGY PARTNERS, LLC, a Texas limited liability company, 13465 Midway Road, Suite 400, Dallas, Texas 75244, as Lessee. All printed portions of this lease were prepared by the party hereinabove named as Lessee, but all other provisions (including the completion of blank spaces) were

prepared jointly by Lessor and Lessee.

1. In consideration of a cash bonus in hand paid and the covenants herein contained, Lessor hereby grants, leases and lets exclusively to Lessee the following described

#### See attached Exhibit "A" for Land Description

in the County of <u>Tarrant</u>, State of TEXAS, containing <u>0.3329</u> gross acres, more or less (including any interests therein which Lessor may hereafter acquire by reversion, prescription or otherwise), for the purpose of exploring for, developing, producing and marketing oil and gas, along with all hydrocarbon and non hydrocarbon substances produced in association therewith (including geophysical/seismic operations). The term "gas" as used herein includes helium, carbon dioxide and other commercial gases, as well as hydrocarbon gases. In addition to the above-described leased premises, this lease also covers accretions and any small strips or parcels of land now or hereafter owned by Lessor which are contiguous or adjacent to the above-described leased premises, and, in consideration of the aforementioned cash bonus, Lessor agrees to execute at Lessee's request any additional or supplemental instruments for a more complete or accurate description of the land so covered. For the purpose of determining the amount of any shut-in royalities hereunder, the number of gross acres above specified shall be deemed correct, whether actually more or less.

2. This lease, which is a "paid-up" lease requiring no rentals, shall be in force for a primary term of 3 threely years from the date hereof, and for as long thereafter as oil or gas or other substances covered hereby are produced in paying quantities from the leased premises or from lands pooled therewith or this lease is otherwise maintained in effect pursuant to the provisions hereof.

The state is a second to a supplementary interestination of the control of the state of the stat

of the leased premises or lands pooled therewith shall be reduced to the proportion that Lesson's interest in such part of the leased premises bears to the full mineral estate in such part of the leased premises.

8. The interest of either Lessor or Lessee hereunder may be assigned, devised or otherwise transferred in whole or in part, by area and/or by depth or zone, and the rights and obligations of the parties hereunder shall extend to their respective heirs, devisees, executors, administrators, successors and assigns. No change in Lessor's ownership shall have the effect of reducing the rights or enlarging the obligations of Lessee hereunder, and no change in ownership shall be binding on Lessee until 60 days after Lessee has been furnished the original or certified or duly authenticated copies of the documents establishing such change of ownership to the satisfaction of Lessee or until Lessor has satisfied the notification requirements contained in Lessee's usual form of division order. In the event of the death of any person entitled to shut-in royalties to the credit of decedent or decedent's estate in the depository designated above. If at any time two or more persons are entitled to shut-in royalties hereunder, Lessee may pay or tender such shut-in royalties to such persons or to their credit in the depository, either jointly or separately in proportion to the interest which each owns. If Lessee transfers its interest hereunder in whole or in part Lessee shall be relieved of all obligations thereafter arising with respect to the transferred interest, and failure of the transferree to satisfy such obligations with respect to the transferred interest, and failure of the transferree to satisfy such obligations with respect to the transferred interest shall not affect the rights of Lessee with respect to any interest not so transferred. If Lessee transfers a full or undivided interest in this lease then held by each.

9. Lessee may, at any time and from time to time, deliver to Lessor or file of record a w

- 10. In exploring for, developing, producing and marketing oil, gas and other substances covered hereby on the leased premises or lands pooled or unitized herewith, in primary and/or enhanced necessary for such purposes, including but not limited to geophylacial operations, the drilling of wells, and the construction and use of reads, canals, pionifers, water wells, disposal wells, injection wells, bit, electric and telephone lines, power stations, and other facilities deemed necessary by Lessee to discover, produce, some and or interprotection. Lessee may use in such operations, free of cost, any oil, gas, water and/or other substances produced on the leased premises as except water from Lessor's wells or ponds. In exploring, developing, producing or marketing from the leased premises or fands pooled therewith, the ancillary rights granted herein shall apply (a) to the meline leased premises discussed in Paragraph 1 above, notwithstanding any partial elease or other partial termination of this lease; and (b) to any other lands in which Lessor now or hereafter has authority to grant such rights in the vicinity of the leased premises or lands pooled therewith. When recuested by Lessor in willing, Lessee shall bury its pipelines below ordinary plow depth on cultivated lands. No well shall be located less than 200 feet from any house or barn now on the leased premises or other lands used by Lessor in which lessed premises or such other lands, and to commercial timber and growing crops thereon. Lessee shall have the right at any time to remove life failures. The production of the lessed premises or other lands and the lessed premises or other operations are prevented or delayed by an explain the production or other operations and productions or the drilling and production or well-and the production of the production or which are removed to the production or the production or the production or the operations are prevented or delayed by an explain the production or other operations are prevented or delayed by the prod

- operations.

  17. Lessor, and their successors and assigns, hereby grants Lessee an option to extend the primary term of this lease for an additional period of 2 (two) years from the end of the primary term by paying or tendering to Lessor prior to the end of the primary term the same bonus consideration, terms and conditions as granted for this lease.

  18. This lease may be executed in counterparts, each of which is deemed an original and all of which only constitute one original.

DISCLAIMER OF REPRESENTATIONS: Lessor acknowledges that oil and gas lease payments, in the form of rental, bonus and royalty, are market sensitive and may vary depending on multiple factors and that this Lease is the product of good faith negotiations. Lessor understands that these lease payments and terms are final and that Lessor entered into this lease without duress or undue influence. Lessor recognizes that lease values could go up or down depending on market conditions. Lessor acknowledges that no representations or assurances were made in the negotiation of this lease that Lessor would get the highest price or different terms depending on future market conditions. Neither party to this lease will seek to alter the terms of this transaction based upon any differing terms which Lessoe has or may negotiate with any other lessors/oil and gas owners.

IN WITNESS WHEREOF, this lease is executed to be effective as of the date first written above, but upon execution shall be binding on the signatory and the signatory's s, devisees, executors, administrators, successors and assigns, whether or not this lease has been executed by all parties hereinabove named as Lessor.

LESSOR (WHETHER ONE OR MORE) Cecilia Karl, a single person	
ومم مستنسب	
Cacina Kori	
ACKNON	WLEDGMENT
STATE OF TEXAS.	
	- 176 · Ara a Kaa
This instrument was acknowledged before me on the 22 day of Long	4 , 20 OT, by (ECILIA JEAKEL
LUKAS GRANT KRUEGER	Notary Public. State of Texas  Notary's name (printed): LUKAS GRANT KNUECE.
Notary Public, State of Texas	Notary's name (printed): LUKAS CRANT KNIECES.  Notary's commission expires: FRANDEY 19. 7017
My Commission Expires	Notary's continues on expires.
February 19, 2012	
ACKNOV	WLEDGMENT
STATE OF TEXAS	
COUNTY OFday ofday ofday of	, 2D , by
This hisualitatic was device masses as the street of the s	
	Notary Public, State of Texas
	Notary's name (printed):
	Notary's commission expires:
CORPORATE A	CKNOWLEDGMENT
STATE OF TEXAS	<del></del>
COUNTY OF	20 hv af
This instrument was acknowledged before me on the day of corporation, on behalf of sa	of
acorporation, on cental or sa	ad corporation.
	Notary Public, State of Texas
	Notary's name (printed):
	Notary's commission expires.
	GINFORMATION
STATE OF TEXAS	
County of	
This instrument was filed for record on theday of	
recorded in Book Page of the records	S OF THIS OFFICE.
•	
	By
	Clerk (or Deputy)

# Exhibit "A" Land Description

Attached to and made a part of that certain Paid Up Oil and Gas Lease dated the <u>ZZ</u> day of <u>TANUARY</u>, 2009, by and between, HARDING ENERGY PARTNERS, LLC, a Texas limited liability company, as Lessee, and <u>Cecilla Karl, a single person</u> as Lessor.

From time to time Lessee may determine that some part or all of the Leased Premises should be more specifically described, in which case Lessor agrees to execute any substitute Lease(s) or correction to Lease(s) tendered by Lessee for such re-description.

0.3329 acre(s) of land, more or less, situated in the W.H. Slaughter Survey, Abstract No. 1431, and being Lot 2, Block 3, Forest Lakes Estates, Phase II, an Addition to the City of Keller, Tarrant County, Texas according to the Plat thereof recorded in Volume/Cabinet A, Page/Slide 4508 of the Plat Records of Tarrant County, Texas, and being further described in that certain Warranty Deed with First and Second Vendor's Lien recorded on 11/10/1999 as Instrument No.D199281755 of the Official Records of Tarrant County, Texas.

ID: 14218D-3-2,

The second secon

#### Addendum to Oil and Gas Lease

"In the event the leased premises (or any part thereof) is subject to an existing mortgage lien, deed of trust lien or other similar lien or liens that were perfected prior to the execution of this Lease and Lessee and/or Lessee's purchaser(s) of production should require the subordination of such lien(s) to this Lease, the costs of acquiring and recording the subordination(s) shall be borne solely by Lessee, is successors and assigns; provided, however, (i) this clause shall not be construed as obligating Lessee to seek or obtain any such subordination, (ii) Lessor agrees to assist Lessee and/or Lessee's purchaser(s) of production in securing any such subordination."

After Recording Return to: HARDING COMPANY 13465 MIDWAY ROAD, STE. 400 DALLAS, TEXAS 75244 PHONE (214) 361-4292 FAX (214) 750-7351